

Minutes of the Veneta City Council

May 11, 2009

Present: City Council President Marion Esty, Darrell Carman, T. J. Brooker, and Sandra Larson

Absent: Mayor Hobart-Hardin

Others: Ric Ingham, City Administrator; Jerri Moore, Finance Director; Sheryl Hackett, City Recorder; Kyle Schauer, Public Works Superintendent; Zac Moody, Assistant Planner; Kip Orme, Public Works Foreman; Darci Henneman, Assistant City Recorder; Lisa McClellan and Sid Scott of Scott Edwards Architects, Sandy Halonen, Neighborhood Economic Development Corporation (NEDCO); Joan Mariner; Sandie Smith, Charlie Hamada, Fern Ridge Chamber of Commerce; and Ephraim Payne, West Lane News

Marion Esty, acting as City Council President, opened the City Council meeting at 7:03 p.m.

1. PUBLIC COMMENT

none

2. CONSENT AGENDA

MOTION: Darrell Carman made a motion to approve the consent agenda as presented. T. J. Brooker seconded the motion.

Vote: Darrell Carman, aye; Marion Esty, aye; Sandra Larson, aye; and T. J. Brooker, aye.

The consent agenda as approved included Minutes for April 27, 2009, bills paid and payable for April 2009 and the Public Works Activity Report for March and April, 2009.

3. DEPARTMENT REPORTS

a. FROM MAYOR/COUNCILORS

- (1) Fern Ridge Service (Senior) Center Design Proposal
- Sid Scott and Lisa McClellan of Scott Edwards Architects presented a complete design and cost estimate for the Fern Ridge Service (Senior) Center. Mr. Scott said the next step will be the funding phase. He said the Service Center will be located on the corner of W. Broadway and Second Street, with Second Street extending north to Waldo Lane. He said the parking lot entrance and exit will be off of Waldo Lane and will have 29 on site spaces. The building will have an entrance from the parking area and from W. Broadway. The overhang of the building will accommodate outdoor seating along W. Broadway and a transit bus stop will be located on the southeast corner of the Service Center. Mr. Scott continued to describe the Service Center to include a library, lounge and reception area near the front lobby. He said three front areas; the lounge, café and dining room could be opened as one large area or partitioned off with sliding doors to make the three areas separate. He said a commercial size kitchen, walk-in freezer and cooler will be shared between senior meals and the food pantry. He said large restrooms, a warehouse, receiving area and a loading dock would be in the rear of the building. The design plan calls for a green living wall on one side of the mechanical room, along the entrance to the food pantry. The northwest portion of the building would have a green roof, which would filter any stormwater, provide cooling in the summer months and add extra insulation to the building. Mr. Scott said the estimated project cost for the Service Center is between 1.56 million dollars and 1.86 million dollars. He said the latter figure includes construction costs and permits, design fees and

furniture. He said the green roof has a cost of approximately \$35,000, solar panels at about \$70,000, and a Leadership in Energy and Environmental Design (LEED) Certification which is a internationally recognized certification system that measures how well a building or community performs across all the metrics that matter most: energy savings, water efficiency, co2 emission reduction and improved indoor environmental quality. He said having a LEED Certification can strengthen the CDBG application and also provide other grant opportunities as well as state and federal rebates. He said even without the larger sustainable options (solar panels, green roof and an LEED Certification) the building will have many smaller sustainable ideas incorporated, i.e., mechanical, lighting and natural ventilation.

Ric provided a timeline for moving forward with the Service Center. He said we need to know what the construction costs will be in order to submit the preliminary grant application for the CDBG funds in the next two to four weeks. He said then the Oregon Economic & Community Development Department (OECDD) will review the application and determine if there is a readiness to proceed. He said if so, they will invite us to apply for the full grant funds in July. If we are awarded funds at that time, Ric said we would then contact grant writer, Kristen Kelley, to work on getting the additional \$800,000 from other sources. He said if we have the CDBG funds anchoring the project, it should be easier to get other funding. He said at that point Scott Edwards could be contracted to work on the final design and work towards breaking ground in summer or fall of 2010.

Staff is requesting a consensus of the Council on the process to-date and direction to proceed with submitting the required Intake Form to begin the CDBG process for the proposed Senior Center.

MOTION: T. J. Brooker made a motion to direct staff to proceed on the design proposal for the Fern Ridge Service (Senior) Center. Sandra Larson seconded the motion.

In response to a question from T. J. Brooker, Ric said at this time we are only submitting the Intake Form. We are not applying for the LEED Certification. He said Kristen Kelley, the grant writer, will assist in what is needed for the LEED Certification.

Darrell Carman requested clarification and restatement of the previous motion.

MOTION: T. J. Brooker made a motion to direct staff to submit the Intake Form to begin the CDBG grant process for the proposed Fern Ridge Service (Senior) Center. Darrell Carman seconded the motion which passed with a vote of 4-0.

- (2) Public Hearing – Neighborhood Economic Development Corporation (NEDCO) CDBG Grant Public Hearing Notice
 1. Marion Esty opened the Public Hearing at 7:25 p.m.
 2. Declaration of Conflict of Interest or Ex-Parte Contacts: None
 3. Staff Report
Sandy Halonen, Executive Director of Neighborhood Economic Development Corporation, (NEDCO) said her organization provides home ownership education workshops and home-ownership and foreclosure counseling to

approximately 1200 Lane County residents. Ms. Halonen said 75% to 80% of the participants in the program are low income residents, however, she said the program is open to everyone. She said roughly 25% of the participants are from rural areas. She said \$48,000 for a two year program is available by way of the Community Development Block Grant (CDBG).

On behalf of NEDCO Ms. Halonen is requesting the support of the City of Veneta to act as the applicant for the CDBG grant funds.

In response to a question from Marion Esty, Ms. Halonen said last fall the program participation was slow. She said in the first two months of 2009 her program received 280 calls. She said normally they receive 125 calls in a three month period. She said these are unduplicated numbers; people who are not currently in the program. She said there has been a lot of stimulation for home ownership and people wanting assistance with budgeting their finances and working on increasing their credit scores. She said the demand is higher than they've seen in the past. She said they conduct all day classes one day a month with an average class size of 30. Recently the class sizes have increased to 40. She said they have a waiting list.

4. Public Testimony

a. Proponents

Joan Mariner, 25712 Cochran Ct, Veneta, OR

Ms. Mariner said the NEDCO program would be ideal for our community. She said many people aren't prepared to deal with their credit scores and fall prey to companies who encourage people to use credit cards. She encouraged the Council to approve NEDCO's request.

b. Opponents
None

5. Questions from the Veneta City Council

In response to a question from Sandra Larson, Ms. Halonen said NEDCO works with many organizations to advertise the Center as well as publishing press releases.

In response to a question from Darrell Carman, Ms. Halonen said the class materials are sold for \$40 per person or \$45 per household, which generates about \$12,000 annually for NEDCO. She said clients also pay \$15 to \$20 for their credit reports but in some cases the cost of the credit report is waived.

In response to a question from Marion Esty, Ms. Halonen said the most prevalent scam currently is the "foreclosure consultant". She said for a fee of \$300 to \$4000 these companies guarantee a low interest rate on financing or re-financing a mortgage. She said there is no way to guarantee a low interest mortgage rate but unfortunately when people get desperate they make bad decisions.

6. Marion Esty closed the Public Hearing at 7:35 p.m.

7. Deliberation and Decision

MOTION: T. J. Brooker made a motion to endorse the CDBG grant proposal for NEDCO. Darrell Carman seconded the motion which passed with a vote of 4-0.

(3) Follow-up Donation Request for Elmira High School 2009 Grad Night

Sandie Smith came to the City Council in October 2008 requesting a donation for the 2009 Elmira High School graduation night event. She said the Council made a \$500 donation at that time and requested Ms. Smith to follow up with the Council later in the year to inform the Council on how her fundraising efforts were progressing. Ms. Smith returned to the Council tonight to report they have raised \$8,300 of their \$10,000 goal.

Jerri Moore reported the \$500 the Council donated in October 2008 came from the Zumwalt Fund. She said approximately 80% of that fund has been spent with approximately \$650 remaining in the General Fund Discretionary line item.

In response to a question from T. J. Brooker, Ms. Smith said she anticipates to have raised approximately \$8,700 by the end of the week. She said immediately following the graduation ceremony, the students will be boarding buses to the Oaks Bottom Amusement Park in Portland, Oregon. She said her committee would like to provide everyone attending with a Subway sandwich for the bus ride. She said committee members would also like to provide each participating student with a \$25 VISA gift card if they attain their \$10,000 goal. Ms. Smith said they will continue fundraising efforts with another car wash.

In response to a question from Marion Esty, Ms. Smith said a Council member at the October 2008 City Council meeting suggested a \$1,000 donation. She said it was then agreed that the Council would make a \$500 donation in October and that the Council requested Ms. Smith to return in the spring with an update on their fundraising efforts and to make another donation request if needed.

T. J. Brooker said this is a worthy cause and suggested a \$300 donation. He said there may be people coming to the City for donations for other summer programs.

In response to a question from Sandra Larson, Ric said remaining available funds in the Zumwalt Fund and the General Fund total close to \$1,400.

Darrell Carman felt there may not be many more donation requests in this fiscal year and suggested a \$500 donation to the 2009 Elmira High School graduation night party.

MOTION: Darrell Carman made a motion to approve a \$500 donation to the Elmira High School graduating class of 2009 for the graduation celebration. T. J. Brooker seconded the motion which passed with a vote of 5-0.

b. COUNCIL/COMMITTEE LIAISONS

Sandra Larson said she had been out of town and missed the previous Pool Committee meeting on April 29, 2009. She said there will be an Open House at City Hall on the pool design on May 20, 2009 at 5:30 p.m.

Marion Esty said she has been busy with library meetings. She may have a conflict with the upcoming Joint Work Session of the City Council and Planning Commission scheduled for Monday, May 18, 2009. She said the Library Foundation meeting is also that night.

In response to a question from Marion Esty if the Council and staff were aware of the conflict, T. J. Brooker said he was aware of the conflict and indicated he would probably be attending the Library Foundation meeting rather than the Joint Work Session.

Ric said the Joint Work Session was just recently scheduled and the Library Foundation meeting has been set for some time now.

Charlie Hamada, President, Fern Ridge Chamber of Commerce, 24949 Highway 126, Veneta, OR

Mr. Hamada said the 4th annual Wings & Wing Festival was held Saturday, May 9, 2009. He said this year the Chamber was more active with the Festival. The event blossomed with approximately 600 people attending the Festival. He said there is potential to grow even more and the Chamber would like to take part in expanding the Festival into a major event. He said some out of state residents attended the Festival after reading about it in the Wall Street Journal.

In response to a question from Marion Esty, Mr. Hamada said he would be meeting with Colin Rea, Director of the Fern Ridge Community Library on Wednesday, May 13, 2009 at Dixie's Café for a weekly update on the Library Foundation.

4. STAFF REPORTS

a. PUBLIC WORKS SUPERINTENDENT.....KYLE SCHAUER

(1) **Resolution 1001** – A RESOLUTION ADOPTING A NEW WASTEWATER MASTER PLAN

Kyle said Jerry Elliott reviewed the new Wastewater Master Plan with the Council at the first meeting in April 2009. He said Resolution 1001 will formally adopt the Plan.

MOTION: T. J. Brooker made a motion to approve Resolution 1001. Sandra Larson seconded the motion which passed with a vote of 4-0.

(2) Introduction of new Public Works Foreman

Kyle said due to health reasons, Bruce Nelson stepped down as Public Works Foreman. He said the City was fortunate to have a great pool of applicants to chose from. Kip Orme from Rexberg, Idaho, was hired to fill the Public Works Foreman position. Mr. Orme's first day of work was May 1, 2009 and he was well received by the public works team. Mr. Orme should bring some long needed stability to the public works department.

Mr. Orme said he is enjoying living here so far.

Kyle said the City-wide cleanup was held on Saturday, May 2, 2009 at the Bolton Hill Road facility. He said unfortunately because of the heavy rain, participation was low. However, Kyle said numerous dumpsters were filled including several with recycled materials. A number of tires were collected and several appliances were broken down and recycled. Kyle said two dumpsters were filled with recycled metal. He said approximately 180 vehicles were served. County Transfer & Recycling (CT&R) provided 13 to 14 staff members from Veneta, Florence and Sweet Home.

T. J. Brooker asked what the cost would be to hold a smaller City-wide clean-up later this summer. He suggested we try to work a second event for next year into the 09-10 budget.

Ric said not only did CT&R provided 13 employees from other areas but they also provided their trucks and lunch for all the volunteers. He said one City-wide clean-up event is included in CTR's franchise agreement.

T. J. Brooker would like to see Mayor Hobart-Hardin sign a letter of thanks addressed to County Transfer & Recycling.

- b. FINANCE DIRECTOR.....JERRI MOORE
(1) **Resolution 1000** – A RESOLUTION TRANSFERRING APPROPRIATIONS FOR THE 2008-2009 FISCAL YEAR

Jerri said Resolution 1000 is a fairly routine item this time of year and is required to realign the budget based on events that have occurred. Resolution 1000 will transfer appropriations within a selected group of funds. She said this year she is recommending changes to the General, Street, Municipal Water, Stormwater Drainage and the 2007 Inverse Condemnation Funds. She said this information comes from year-end projections prepared by staff. She said staff is comfortable with these adjustments in order to get the City through the last two months of FY2008 -09.

MOTION: T. J. Brooker made a motion to adopt Resolution 1000. Darrell Carman seconded the motion which passed with a vote of 4-0.

- (2) Establishment of Deferral Funds for Bolton Hill Wastewater LID

Jerri provided a brief memo regarding establishment of deferral funds for Bolton Hill Road Wastewater LID. She said the Council reviewed the financing and interest rate options at the April 27, 2009 City Council meeting. She said one option was to offer residents to defer a portion of their assessments. Several months ago the Council requested staff to look into lessening the burden to some residents for their high assessments. Veneta Municipal Code (VMC) 3.10.140(2) identifies the resource for funding an LID deferral program as interest earned on the "project-related" SDCs and imposes limitations on the use of the resource not to exceed 40% of the total accumulated interest earnings as of June 30th of the preceding fiscal year. Jerri said the interest accrued on sewer SDC collections as of June 30, 2008 is \$460,883, 40% of which is \$184,354 available to finance deferrals. Staff identified the final amounts and 11 properties may qualify for the deferral program totaling approximately \$104,386.

Staff recommends Council direct \$104,386 of interest earnings accumulated on sewer SDC collections as of June 30, 2008 be designated to fund the assessment deferral program for the Bolton Hill Road Wastewater LID.

In response to a question from Darrell Carman, Jerri said the \$104,386 figure is roughly 22.7% of the total accumulated interest earnings on sewer SDC collections as of June 30, 2008.

In response to questions from T. J. Brooker, Jerri said \$104,386 will be used by the City to pay what the property owners won't be paying because they deferred their assessment. The \$104,386 will not be set aside for a future LID. An individual deferral could take up to 10 years to pay off but could terminate if the property met criteria that ended the deferral, i.e., development of the property. Jerri said in that event the City can collect their outstanding assessment. Jerri said the City could apply this process for future LIDs. The Local Improvements Fund will earn interest also that could be used for future LIDs.

Ric said it's a policy question. He said the City owes it to the fund to reinvest the monies back into the Wastewater Fund because that's where the funds originated. He said rather than setting the monies aside to fund a future LID, we should be reinvesting the funds for updating our wastewater facilities.

In response to a question from Marion Esty, Jerri said residents have not received deferral program applications yet. She said we're at the first stage of the deferral program process. She said there will be a learning curve but the deferral program will have a positive outcome. She said staff will continue to work on what the City does with the monies as the future develops.

In response to a question from T. J. Brooker, Ric said we haven't determined if we're going to pay back the Wastewater Fund.

Jerri said the VMC suggests that the monies we receive as payments could be used for future deferrals but this is up to the Council to decide.

In response to questions from Darrell Carman, Jerri said the code suggested that monies may stay in the fund for future deferral programs but it is not a requirement. She said the City has a good basis for funding future deferrals. Jerri said the opportunity to apply for deferrals has not been offered to residents yet. She said staff has no idea how many residents of the 11 eligible will apply. She said the funding will be limited to those to who are eligible. Future deferrals might not be fully funded and could be processed on a first come, first serve basis.

MOTION: T. J. Brooker made a motion to approve \$104,386 of interest earnings accumulated on sewer SDC collections be used to fund the Bolton Hill Road Wastewater LID Deferral Program.

Darrell Carman suggested amending the previous motion to increase the amount of funds available for deferrals in the event the actual costs are higher.

MOTION: T. J. Brooker amended his motion to approve an amount not to exceed \$105,000.00 of interest earnings accumulated on sewer SDC collections be used to fund the Bolton Hill Road Wastewater LID. Darrell Carman seconded the motion which passed with a vote of 4-0.

c. CITY ADMINISTRATOR.....RIC INGHAM

- (1) **Resolution 999** – A RESOLUTION REQUESTING LANE COUNTY TO SURRENDER PORTIONS OF BOLTON HILL ROAD, COUNTY ROAD NO. 1183 WITHIN THE LIMITS OF THE CITY OF VENETA PURSUANT TO INTERGOVERNMENTAL AGREEMENT BETWEEN LANE COUNTY AND THE CITY OF VENETA DATED JULY 30, 2007

Ric said adoption of this resolution will be postponed until more research is conducted on this issue.

- (2) **Byrne Memorial Justice Grant Application**
Ric provided the Council with the complete grant application. He apologized for not getting it to the Council sooner. He said based on a formula, the City has been allotted approximately \$34,843 in grant funds from the Department of Justice. He said the intended project objective would be to provide an average of 160 hours of law enforcement coverage per week within the City limits. He said currently when a deputy is out ill or on vacation, his shift is not covered. He said the grant proceeds will allow funding to fill those vacant shifts. He said by filling vacant shifts the City will reduce the amount of time we are without public safety coverage. Currently the City budgets for 85% coverage within a 24 hour period, seven day a week. He said when a shift goes unfilled that coverage may slip to 75% or less. The goal of the funding is to ensure the City maintains at approximately 85% coverage seven days a week, 365 day a year.

MOTION: Darrell Carman made a motion to authorize staff to finalize the grant application and complete the submittal process for the Edward Byrne Memorial Department of Justice Grant. T. J. Brooker seconded the motion which passed with a vote of 5-0.

- (3) City Council consensus of amendments to the Employee Handbook and Salary Schedule (resolutions to be adopted at June 8, 2009 City Council meeting)

It was brought to Ric's attention that he had not brought the full employee compensation package to the Council. The proposal included modifications to the City of Veneta Employee Handbook, which requires a Resolution approved by the Council. He reviewed his proposal with the Council, which offered employees a 2.7% Cost of Living Allowance (COLA) based on CPI from the previous year; a possible minor layoff or furlough days for all employees; and an agreement from employees to re-evaluate the City's health insurance coverage and premiums. He said health saving accounts may be an answer to move away from the traditional Blue Cross/Blue Shield medical coverage which had the highest increase for medical insurance premiums in the State of Oregon.

Ric said staff agreed to a 1% COLA in lieu of possible furloughs and also laid out specific language that would be provided in the Employee Handbook which would require supervisors to conduct timely annual evaluations. Staff was uncomfortable with any kind of furloughs and they did not want to see anyone laid off or their hours cut. Staff also agreed to

review a health savings account program provided they had all the resources to make an educated decision and agreed to the Employee Handbook modifications. Ric said the 1% COLA has been included in the budget and the Resolution will include the annual evaluation language be added to the Employee Handbook. He said this resolution will be included in the June 8, or June 22, 2009 Council agenda.

It was the consensus of the Council to direct staff to move forward with the proposed language in the Employee Handbook and to bring the Resolutions to the Council for approval in June, 2009.

In response to a question from T. J. Brooker, Jerri said the Employee Handbook refers to annual evaluations but staff brought to management's attention that the current language has no timeline for completing annual and/or quarterly evaluations.

5. OTHER

Sheryl Hackett gave the Council an update on a nuisance abatement from the April 27, 2009 Council meeting. She said the residence on Hunter Road with the dilapidated mobile home has been cleaned up.

Ric reminded everyone that St. Vincent DePaul is hosting the grand opening of the Heather Glen apartments on Tuesday, May 12, 2009 beginning at 11:00 a.m. He asked Marion Esty if she would attend as Council President. She agreed. He also asked other Councilors if they were in the area to please attend.

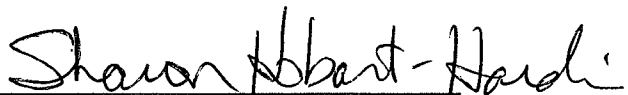
Charles Hamada said the Fern Ridge Chamber of Commerce luncheon will be on Wednesday, May 13, 2009 at Dixies Café in Veneta.

6. EXECUTIVE SESSION – ORS 192.660 (2) (h) - Potential Litigation


Ric said this session was postponed until the City attorney and staff receive more information.

7. ADJOURN

Council President Marion Esty adjourned the City Council at 8:32 p.m.


Sharon Hobart-Hardin, Mayor

ATTEST:


Darci Henneman, Assistant City Recorder
(minutes prepared by Dhennehan)